CO-871 STATINTL 7 May 1964 AIR MAIL U. S. Government 2430 E Street, N. W. STATINTL Washington 25, D. C. Attention: Contracting Officer STATINTL Contract No. Task Orders 1 through 7 Subject: Reference: (a) Letter CO-810 dated 30 January 1964 (b) Letter CO-781 dated 14 January 1964 STATINTL Gentlemen: STATINTL Previous correspondence with your office has indicated desire to dispose of the residual inventory accumulated under subject task orders. When possible within STATINTL the available funding, the residual inventories have been returned as directed to However, insufficient funding remains in Task Orders 1, 4, and 5 to return the residual inventory applicable thereto. Inventories accountable to the other task orders have already been shipped STATINTL STATINTL will be moving its facilities during the month of June to another location within this general area. It is very desirable from our standpoint to dispose of the GIANT -Nadir Plotter and the Multiple Image Correlator prior to this move. If such disposal is not effected, believes that the moving costs incurred are a legitimate charge STATINTL to the contract under which these items are accountable, and, as indicated, insufficient funding remains to accumulate these charges; hence, the contract will exeed STATINTL STATINTL allotted funding. Therefore, requests that the following amount be provided as soon as possible for the return shipment of residual inventory Task Order No. 1 Task Order No. 4 STATINTL Task Order No. 5 STATINTL has fully performed all requirements under the subject task orders. Those tasks

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remaining are administrative tasks which must be accomplished prior to the formal

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closing of this contract. regrets that it is unable at this time to submit the total finalized costs incurred under subject task orders; however, the final audit by the U. S. Navy Area Audit Office, Los Angeles, for indirect rates for fiscal year ending 29 February 1964 will not be accomplished until approximately August 1964. Accordingly, **STATINTL** must wait until this time before submitting a final cost analysis on these task orders.

The indirect audit by the U.S. Navy Area Audit Office has been accomplished for fiscal year ending 28 February 1963 and enclosed herewith is a copy of these rates for incorporation into subject task orders. Also enclosed are the unaudited indirect rates experienced for fiscal year ending 29 February 1964, and their incorporation is also requested.

STATINTL

wishes to settle the above outstanding issues and would appreciate your written reply at the earliest possible date. If there is any further information required to assist you in the expeditious handling of these matters, please do not hesitate to contact the undersigned.

Yours very truly,



STATINTL

Enclosures:

- (1) DD Form 543 for Task Orders 5 and 6
- (2) DD Form 545 for Task Order 5